

**CARDAN PRECISION ENGINEERING LTD.
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Cardan Precision Engineering Ltd.
Unaudited Financial Statements
For The Year Ended 30 September 2022

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Cardan Precision Engineering Ltd.
Balance Sheet
As at 30 September 2022

Registered number: SC408269

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		971,093		1,048,340
			971,093		1,048,340
CURRENT ASSETS					
Stocks	4	437,197		174,338	
Debtors	5	986,605		596,727	
Cash at bank and in hand		339,796		489,390	
		1,763,598		1,260,455	
Creditors: Amounts Falling Due Within One Year	6	(657,044)		(400,704)	
NET CURRENT ASSETS (LIABILITIES)			1,106,554		859,751
TOTAL ASSETS LESS CURRENT LIABILITIES			2,077,647		1,908,091
Creditors: Amounts Falling Due After More Than One Year	7	(104,866)		(251,582)	
PROVISIONS FOR LIABILITIES					
Deferred Taxation	10	(126,783)		(139,535)	
NET ASSETS			1,845,998		1,516,974
CAPITAL AND RESERVES					
Called up share capital	11	102		102	
Profit and Loss Account		1,845,896		1,516,872	
SHAREHOLDERS' FUNDS			1,845,998		1,516,974

Cardan Precision Engineering Ltd.
Balance Sheet (continued)
As at 30 September 2022

For the year ending 30 September 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Joseph McFall

Director

24/04/2023

The notes on pages 3 to 7 form part of these financial statements.

Cardan Precision Engineering Ltd.
Notes to the Financial Statements
For The Year Ended 30 September 2022

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold	Not depreciated
Improvements to Property	Not depreciated
Plant & Machinery	25% Reducing Balance
Motor Vehicles	20% Reducing Balance
Fixtures & Fittings	25% Reducing Balance
Computer Equipment	25% Reducing Balance

1.4. Leasing and Hire Purchase Contracts

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.6. Financial Instruments

The company only has basic financial instruments.

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2022

1.7. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.8. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.9. Government Grant

Government grants are recognised in the profit and loss account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute.

Grants for immediate financial support or to cover costs already incurred are recognised immediately in the profit and loss account. Grants towards general activities of the entity over a specific period are recognised in the profit and loss account over that period.

Grants towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the profit and loss account over the useful life of the asset concerned.

All grants in the profit and loss account are recognised when all conditions for receipt have been complied with.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 23 (2021: 23)

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2022

3. Tangible Assets

	Land & Property		Plant & Machinery	Motor Vehicles
	Freehold	Improvements to Property		
	£	£	£	£
Cost				
As at 1 October 2021	182,142	17,218	1,593,007	75,636
Additions	-	-	127,258	-
Disposals	-	-	(2,341)	-
As at 30 September 2022	182,142	17,218	1,717,924	75,636
Depreciation				
As at 1 October 2021	-	-	845,114	20,940
Provided during the period	-	-	180,772	10,939
Disposals	-	-	(1,955)	-
As at 30 September 2022	-	-	1,023,931	31,879
Net Book Value				
As at 30 September 2022	182,142	17,218	693,993	43,757
As at 1 October 2021	182,142	17,218	747,893	54,696

	Fixtures & Fittings	Computer Equipment	Total
	£	£	£
Cost			
As at 1 October 2021	22,446	45,599	1,936,048
Additions	-	1,554	128,812
Disposals	-	(677)	(3,018)
As at 30 September 2022	22,446	46,476	2,061,842
Depreciation			
As at 1 October 2021	9,313	12,341	887,708
Provided during the period	3,283	10,313	205,307
Disposals	-	(311)	(2,266)
As at 30 September 2022	12,596	22,343	1,090,749
Net Book Value			
As at 30 September 2022	9,850	24,133	971,093
As at 1 October 2021	13,133	33,258	1,048,340

Included above are assets held under finance leases with a net book value as follows:

	2022	2021
	£	£
Plant & Machinery	284,589	435,430
	284,589	435,430

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2022

4. Stocks

	2022	2021
	£	£
Stock - materials and work in progress	437,197	174,338
	<u>437,197</u>	<u>174,338</u>

5. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	621,077	456,577
Prepayments and accrued income	58,234	27,255
Other debtors	282,304	112,895
Sundry Debtor	24,990	-
	<u>986,605</u>	<u>596,727</u>

6. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Net obligations under finance lease and hire purchase contracts	89,104	117,937
Trade creditors	279,737	116,939
Bank loans and overdrafts	10,648	17,157
Corporation tax, other taxes and social security	149,572	71,082
VAT	63,024	51,768
Other creditors	215	159
Accrued expenses	63,468	20,591
Director's loan account	1,276	5,071
	<u>657,044</u>	<u>400,704</u>

7. Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Net obligations under finance lease and hire purchase contracts	78,256	167,359
Bank loans - 1-2 years	10,648	17,157
Bank loans - 2-5 years..	15,962	45,074
Bank loans more than 5 years	-	21,992
	<u>104,866</u>	<u>251,582</u>

Cardan Precision Engineering Ltd.
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2022

8. Secured Creditors

The Royal Bank of Scotland plc holds a Bond and Floating Charge over all the assets of the company.

In addition they also hold a standard security over the properties at Units 2 and 3A, Block 3, West Avenue, Blantyre Industrial Estate, Blantyre, Glasgow. G72 0UL.

	2022	2021
	£	£
Bank loans and overdrafts	-	54,536

9. Obligations Under Finance Leases and Hire Purchase

	2022	2021
	£	£
The maturity of these amounts is as follows:		
Within one year	89,104	117,937
Between one and five years	78,256	167,359
	<u>167,360</u>	<u>285,296</u>
	<u>167,360</u>	<u>285,296</u>

10. Deferred Taxation

The provision for deferred tax is made up as follows:

	2022	2021
	£	£
Accelerated capital allowances	<u>126,783</u>	<u>139,535</u>

11. Share Capital

	2022	2021
Allotted, Called up and fully paid	<u>102</u>	<u>102</u>

12. Related Party Transactions

At 30th September 2022 the amount owed by LAHN Property Ltd, a company under common control, totalled £280,026 (2021:£110,013). This amount is non-interest bearing and is repayable on demand.

At 30th September 2022 the amount owed by Cardan Holdings Ltd, a company under common control, totalled £878 (2021:£182). This amount is non-interest bearing and is repayable on demand.

13. General Information

Cardan Precision Engineering Ltd. is a private company, limited by shares, incorporated in Scotland, registered number SC408269 . The registered office is Unit 2 Block 3, West Avenue, Blantyre Industrial Estate, Glasgow, South Lanarkshire, G72 0UL.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.